

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**



**FILED**

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Order Instituting Investigation on the Commission's Own Motion into the Rates, Operations, Practices, Services and Facilities of Southern California Edison Company and San Diego Gas and Electric Company Associated with the San Onofre Nuclear Generating Station Units 2 and 3.

Investigation 12-10-013  
(Filed October 25, 2012)

And Related Matters.

Application 13-01-016  
Application 13-03-005  
Application 13-03-013  
Application 13-03-014

**STATUS CONFERENCE ISSUE STATEMENT OF  
THE CALIFORNIA STATE UNIVERSITY**

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**THE CALIFORNIA STATE UNIVERSITY**

October 30, 2017

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In accordance with the *Ruling of Assigned Commissioner and Administrative Law Judge Setting Status Conference* issued on October 10, 2017 ("Ruling"), the California State University ("CSU") respectfully submits this status conference issue statement.<sup>1</sup>

The Ruling sets a status conference for November 7, 2017, and directs parties to submit position statements on the preliminary issues identified in the Ruling. Those issues are:

1. Determination of cost allocation between shareholders and ratepayers for costs resulting from the Steam Generator Replacement Project failure.
2. Determination of how to address the \$25 million for the contribution to the University of California ("UC") for research regarding reduction of greenhouse gas ("GHG") emissions in light of now documented previous *ex parte* contacts between then-

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<sup>1</sup> The Ruling provides that parties' status conference issue statements must be filed on or before October 30, 2017; therefore, CSU's issue statement is timely filed.

Commission President Michael Peevey and the University of California.

CSU takes no position on the first issue. On the second issue, CSU's position continues to be that: (i) funding of GHG research by Southern California Edison Company ("SCE") and San Diego Gas & Electric Company ("SDG&E") shareholders is in the public interest<sup>2</sup>; (ii) CSU did not participate in any *ex parte* communications concerning the GHG research program; (iii) the failures to disclose *ex parte* communications regarding the program in a timely and complete manner unfairly disadvantaged CSU; and (iv) the Commission has a duty to ensure the research funds are allocated in a manner that furthers the program's stated goals and is equitable. It is also CSU's position that it would be in the public interest to dedicate a portion of the program funding to Ethics in Government research.

CSU recommends the Commission modify the GHG research provisions of the SONGS Settlement<sup>3</sup> to incorporate the following program elements:

1. Research funding shall be allocated to the UC and CSU systems equitably. CSU's applied research activities are more likely than those of UC to (a) engage diverse and disadvantaged students from California communities, (b) focus on state, regional and local GHG impacts, and (c) prepare California's workforce to implement low-carbon solutions at scale in California and benefit California ratepayers and communities.

2. A portion of the funding shall be dedicated to Ethics in Government research. The Commission has emphasized not only the harm to other parties but also the harm to the public resulting from secret settlement-related communications: "It is the Commission's intent to

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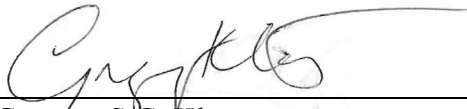
<sup>2</sup> At a time when the federal administration is unravelling GHG regulations and cutting GHG research funding, California should be looking for low-cost, effective ways to promote GHG research.

<sup>3</sup> If the Commission sets aside the SONGS Settlement, CSU recommends that the Commission nonetheless require SCE and SDG&E shareholders to contribute \$25 million to fund GHG research under a program with the elements described herein.

highlight to SCE and all parties that we are committed to achieving full compliance with our governing laws and rules. Anything less damages the agency's regulatory mission and undermines the public's confidence in due process, fair hearings, and just and reasonable rates."<sup>4</sup> Dedicating a portion of the \$25 million in shareholder funding to Ethics in Government research and publication will help prevent such ethical lapses in the future and restore public confidence in the Commission's decision-making process.

CSU appreciates the opportunity to submit this issue statement and looks forward to working with the Commission and other stakeholders to ensure that the GHG research program is structured and administered in a manner that best serves the public interest.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Gregory S.G. Klatt", written over a horizontal line.

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October 30, 2017

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<sup>4</sup> D.15-12-026, *mimeo*, at 52.